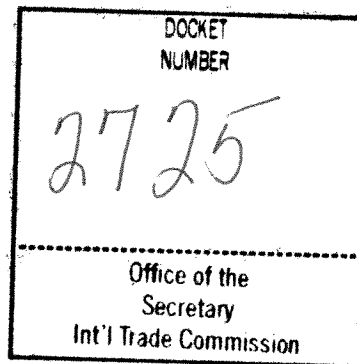


EXECUTIVE OFFICE OF THE PRESIDENT  
THE UNITED STATES TRADE REPRESENTATIVE  
WASHINGTON, D.C. 20508

The Honorable Shara L. Aranoff  
Chairman  
U.S. International Trade Commission  
500 E Street, S.W.  
Washington, D.C. 20436



APR 13 2010

Dear Chairman Aranoff:

As you are aware, the Administration has announced its intention to negotiate with 7 other countries to conclude a Trans-Pacific Partnership (TPP) Agreement. Earlier this year, I requested the U.S. International Trade Commission (Commission) to provide an analysis of the probable economic effects on U.S. industries and on U.S. consumers of providing duty-free treatment for imports of products in the context of concluding the TPP Agreement.

In addition to this analysis, it would be useful and further inform U.S. negotiating positions, if the Commission could provide a separate analysis of the actual effects of the free trade agreements (FTA) concluded with Chile, Singapore, and Australia, as FTAs with each of these countries have been in effect for at least 4 years, and they are participating in the negotiations on the TPP Agreement.

Accordingly, under authority delegated by the President to me and pursuant to section 332(g) of the Tariff Act of 1930, I request that the Commission provide its analyses of the following topics.

- In each of the three FTAs identified above, the United States agreed to phase out its tariffs and other market access barriers on certain goods over an extended period of time. The Commission is requested to examine U.S. imports of these goods, identify any apparent anomalies in U.S. import levels, and discuss the possible causes for these anomalies. In identifying whether an import level is anomalous, the Commission should consider factors affecting such levels, such as tariff changes, trade changes in similar products, changes in trade of the same product with other trading partners, or other relevant indicators of trade flows.
- In each of these FTAs, the other Party also agreed to phase out its tariffs and other market access barriers on certain goods over an extended period of time. The Commission should examine U.S. exports of these goods, identify any apparent anomalies in U.S. export levels, and indicate the possible causes for these anomalies, taking into account the factors identified above.
- The Commission should also consider the existence of other apparently anomalous levels of U.S. exports to the other FTA Party, e.g., where the immediate elimination of tariffs and significant market access barriers to trade in a particular product resulted in little or no increase in U.S. exports, or where U.S. exports increased significantly in tariff lines

where little or no reduction in tariffs occurred as the result of the FTA. The Commission should identify such apparently anomalous situations and indicate the possible causes, to the extent possible. If possible, the Commission also should identify and examine unexpected results in the performance of U.S. services exports.

I request that this report be delivered within eight months from the date of receipt of this letter.

In accordance with USTR policy on implementing Executive Order 12958 entitled "Classified National Security Information," I direct you to mark or identify as "confidential," for a period of ten years, such portions of the Commission's report and its working papers which relate to the identification and possible causes of the apparent anomalies and anomalous situations. Consistent with the Executive Order, this information is being classified on the basis that it concerns economic matters relating to the national security. USTR also considers the Commission's report to be an inter-agency memorandum that will contain pre-decisional advice and be subject to the deliberative process privilege. The report should be so marked. I also request that you submit an outline of this report as soon as possible to enable USTR officials to provide you further guidance on the extent and duration to which portions of the report require classification. Based on this outline a USTR official with original classification authority will provide you with written instructions.

Thank you for your cooperation and assistance in providing this important information to better inform the negotiations on the TPP Agreement.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron Kirk', with a stylized flourish at the end.

Ambassador Ron Kirk